MEC BRIEFING

27 October 1954

SOVIET-TOROGLAY RELATIONS

- I. Sudden Soviet increase in tempo of its efforts improve relations with Yugoslavia. Effort began soon after Stalin's death, but appeared casual and without much substance.
 - A. It started when Soviet Union appointed anhancedor to Belgrade in June 1953.
 - 3. Since then some of Satellites established full diplomatic relations, and concluded medest trade agreements.
 - C. Border incidents (at high level until mid-53) virtually ceased by 54.
 - B. Critical Orbit propaganda about Tugoslavia gradually diminished.
 - II. In last weeks, Moscow's approach to relations with Tugoslavia has shown surprising, new aspects.

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- A. In mid-September Moscow propagands started quoting
 Yegeslav press and leaders; quotes carefully selected
 to give impression of Yegoslav support for Soviét
 policy, and carried without comment.
- Tageslavia has gone off the mir, and jamming of
 Tugeslav Russian broadcasts has stopped. Also
 anti-Tito books have been removed from bookshelves
 in Poland.
- C. Last week Moscow celebrated 10th anniversary liberaties of Belgrade, with tributes to role of Tegoslav
 partisans—as well as Soviet army. Since the 1948
 break, the Soviet Union had claimed full credit for
 the liberation.
- B. A short term and rather small (\$50,million) trade
 agreement was signed between Moscow and Helgrade
 trade agession on 1 October. Yugoslavia has agreed

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to Seviet suggestion for talks in Mescew on a conyear governmental trade agreement. (Orbit trade is
ealy SK of Tegoslavia's trade sow, the American
embossy in Seigrade thinks it could eventually

- E. Vymhimsky's letter to UN Security Council "taking engmissance" of the Trieste settlement in part reflects Soviet desire not to jeopardise improving relations with Belgrade.
- III. Belgrade has not rejected these Orbit moves, saying it has always been willing to normalize relations on an equal basis.
 - A. It has agreed to segotiate for reciprocal distribution of Seviet and Tugoslav films, which would be the first widespread distribution of each other's oultural propagands in the last six years.
 - B. It has now agreed to allow Seviet commercial places to resume everflights to Albania.

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- In public and private statements, Tite and other Eugeslav leaders have stated that deeperation with the West should not her improved relations with the East. This is in line with their view stated since early summer 1854 that "a certain equilibrium of power had been greated whereby the cold war—previously in danger of developing into an eyes conflict—became as armed peace, where East-West conferences could search for a way out of the situation."

 A. Tite has explicitly stated (16 October) that he will
 - B. The Tuguelays will continue to cooperate with the West for defence against aggression.

not "go back to Honoou."

They approve of unification efforts for Europe, and oven preparty controlled rearmnment Sectors Garmany. Simultaneous with these efforts, however, Yugoslave believe all efforts should also be unde to negotiate with the Sussians, whose policy of relaxing tension in Europe they now characterise as "permanent."

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- B. Take stand that, as socialist state, cannot join any erganization (such as MATO) which, in their view, has primarily as asti-Communist basis.
- V. Direct propaganda treatment of the UNSE by Yugoslavia continues to improve, now being neither antagonistic ner friendly.
 - A. Recent Tygoslav speeches celebrating the ansiversary
 of the liberation of Belgrade still gave almost all
 of the share of credit to their own forces, and
 reminded the listeners of "quarrels and disagreements"
 between Seviet and Tugoslav commanders.
 - B. Although a ceremony was held at a cemetery for Seviet and Yugoslav soldiers, it was reported to be a "pretty dismal" affair.
- VI. Increased tempo of Soviet activity stems from Kremlin

 recvaluation of its policy toward Yegoslavia and hyppears

 aimed mainly at blocking a further Yegoslav shift to

 the West.

- A. Honorow must realize that its normalization efforts
 in last year have yielded little, and it apparently
 considers now moves are seeded to counterbalance
 growing Tugoslav ties with West, shich have been
 strongthened by Balkan military alliance and Trieste
 settlement.
- Seviet policy throughout Europe, Eremlia may also think them especially productive when applied to Communist Tugoslavia for several reasons: As test of "deviationist" regime's responses; as preparation for any future offers; as easy means inflaming Western suspicions of Throulavia.
- C. Moneow may plan eventually to offer Tito some real bait for Eastern orientation, but no signs yet of a major serious offer—which it probably expects would be rejected.

- D. Messew would probably first continue to improve atmosphere.
- VII. Ingeslavia's own melf-interest would appear to preclude a return to the Eastern camp.
 - A. Tite's present position has given him practically a Western guarantee of mational security as well as military and economic aid, without an infringement on Tugaslavia's independence or internal affairs.

 Infringement by the USSR was a major cause of the 1948 break.
 - B. The Tugudave see is recent Seviet moves (like the withdrawal from satellite joint companies and the agreement with the Chinese on Port Arthur) as indication that USSE recognises it wast interfere less in internal affairs of other states.
 - C. Tite and his leaders still, however, appear to retain enough distrust of the USSE to discount any Seviet offers, even one that might go so far

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proved relations with the Soviet bloc can be used to better its bargaining position with the West.